

EXECUTIVE SEARCH AND STAFFING

Recruiting Key Employees for Small Business

by Jay Sjostrom

Small businesses, which provide more than 50 percent of the jobs available in the U.S. market, spend a great deal of time searching for and hiring employees. As daunting as hiring can be, identifying and utilizing critical information during the process helps ensure that you hire an employee who is a strategic and cultural fit with your small business.

Before the interview

Know where your business is today and where it is going

Ask yourself, “To be successful, what will this employee need to accomplish in the first 6 to 12 months?” Keep in mind your long-range plan and how the role plays into the success of that plan. Anticipate that you will receive similar questions from well-prepared candidates.

When interviewing candidates, consider factors such as attitude, personality, team skills, and energy.

Help your new hire succeed by identifying the required skills

Certain functions are essential for success and profitability, and in a small business, the temptation is to create hybrid roles. But hiring an individual to wear too many hats can lead to disappointment and unfulfilled expectations all around. Clearly define the role, the required skills and experiences, and how the role will affect the organization. Then, evaluate whether one person can do it all.

Identify your own hiring results

Examine your own previous hiring performance. Have you been able to retain good people that you hired, or have you experienced terminations or resignations? Be mindful of your unique biases, such as specific years of experience or a school’s name, that might cloud your hiring decisions. Ask colleagues to assist in evaluating candidates to bring greater perspective and objectivity to your hiring decisions.

Keep culture at top of mind

In a small business, “culture fit” may be as significant as a candidate’s skills and experience. Identify traits unrelated to skill set or experience that contribute to success in your company. When interviewing candidates, consider factors such as attitude, personality, team skills, and energy. Be mindful of the unique traits of colleagues with whom the new employee will interact.

Prepare interview questions in advance

When you prepare interview questions in advance, you are better able to critically track the candidates’ answers. Concentrate your interview questions on what candidates have accomplished, and listen for specific details concerning their past results.

The interview

Ask about career progression

Take note of the steps the candidate has taken in the past four years to improve professionally (e.g., learning and development programs or professional association participation). Be aware of how the candidate utilized this learning in his or her career.

Listen for “deal breakers”

As the interview proceeds, listen for objections that might arise if an employment offer is extended (e.g., office location or employee benefits). Address these issues as soon as they appear.

Identify the candidate’s career goals

Talk with the candidate about his or her specific career goals in the next year and the next three years. Are the candidate’s goals realistic? Do these goals support the company’s strategic direction? Can your company support these long-term goals?

Identify non-financial elements that are important to the candidate

Pay attention to the non-financial elements of a job that might affect a candidate’s hiring decision, such as your reputation in the business community, your support for voluntary service, or your corporate giving program.

Assess the candidate’s ability to thrive in a small-business culture

Do not assume that an otherwise qualified candidate will adapt to a small-business culture. Some qualified candidates from larger business environments struggle when confronted with the unique challenges of a small business. Pay attention to a candidate’s prior experience in a work group or company similar in size or culture to your company.

The offer

Design the right compensation package

Offer the candidate a compensation package that is thoughtful and competitive. Be mindful of the salaries and benefits your competitors are offering, and balance this with the importance of career advancement, positive company culture, and other financial variables. Remember, in addition to compensation, serious candidates have non-compensatory motivators such as career growth and community service opportunities. Highlight your company’s cultural strengths as the offer is proposed. Craft the job offer in the context of what is important to the candidate.

Identify all key elements of the offer and put them in writing

You are not finished until the offer is in writing. An effective offer letter should include compensation (starting salary and bonus structure if relevant), benefits, and start date.

By identifying and utilizing critical information, you can help ensure that when it comes down to making an offer, both you and the candidate share the same vision of the job’s requirements, the candidate’s capabilities, and the cultural fit.

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